



Is project management a standard process or a cultural process?

ISO 21500, *A Guide to Project Management* will be voted on by the international community over the next couple of months and assuming everything goes to plan will be published in late 2012. Based on these developments, the question posed by this article is does the emergence of an international standard, and the internationalisation of other standards including the dozen or more translations of the *PMBOK® Guide* mean project management is a standard process across all cultures and societies or do we need cultural versions of the *PMBOK® Guide* similar to the current industry extensions?

The *PMBOK® Guide* is produced in 12 official and several unofficial translations but language is only one dimension of culture. To effectively manage projects within a specific culture do the PMBOK's processes need adaptation?

The original trigger for this column was the collapse of a series of 'binding agreements' in 2004 between Fortescue Metals Group Ltd (FMG), and some Chinese engineering companies to build a new iron ore mine, railway and port (we are talking \$billions). The deal fell through when parallel negotiations around an equity stake in Fortescue collapsed and the final appeal to the High Court over the matter is due shortly. It is important to note that since this initial setback in 2004, FMG has successfully built its mine, railway and port, is now Australia's third largest iron ore exporter with very strong ties into the Chinese markets and has another major expansion underway, the court cases are about interpretation and understanding the agreements and how this was communicated to the stock exchange in 2004.

In an Australian / western context, there were separate negotiations and the collapse of one should not have impacted the other. In a Chinese context the relationship is what matters and the failure of one aspect of the relationship damages all aspects of the relationship. Which context applies (if either) and how much should have been disclosed to the public will be decided by the Australian High Court. What this case does highlight is the importance of 'culture' when dealing with stakeholders.

My colleague, Mr. Khor Soon Kheng PMP, founder of Asia ICT Project Management Sdn Bhd, Malaysia believes good Guan Xi (a philosophy dealing with any network of relationships among various parties who cooperate and support one another in the Chinese business / project world) is critically important to the successful delivery of projects involving Chinese organisations from bidding through to handover, "Guan Xi can rate as highly as technical competence and price in decision making and has a significant influence on Procurement". Mr. Khor added "Guan Xi is intensely personal, whilst it can be shared and reflected onto the organisation a person works for, the individual 'owns' his/her Guan Xi and has to invest time in developing and maintaining it. This gives him/her a competitive advantage as well as the ability to avoid conflict, both of which are beneficial to the outcome of the project". Mr. Khor's contribution to my book, *Advising Upwards*¹, focused on these issues in Ch. 6 'East meets West: Working with a Chinese Boss'

But this is not just an East/West issue; we experienced two very different approaches to Safety Management during a major project review in Pakistan. The hierarchical and procedural culture of the Indian sub-continent was quite different to the 'team/group' culture of the Chinese engineering company building the project. In this 'culture clash' the Pakistani Engineers were focused on documented safety procedures, the Chinese engineers and builders were focused on developing a group understanding of the risk through discussion and observation to make sure no one in their closely knit team was put at risk of injury; they saw the paperwork as superfluous. Both sides took safety seriously; the approach embedded in culture to achieving the 'safe outcome' was quite different.

Another significant area of difference is communication. In most western cultures, the sender must make the message clear. But as Malcolm Gladwell describes in his book *Outliers*, in Korea and many other Asian

¹ For more on *Advising Upwards* see: http://www.mosaicprojects.com.au/Book_Sales.html#Adv_Up



countries, the listener must make sense of what is being politely intimated by the sender, particularly if the sender is junior to the receiver of the message. Excessive 'clarity' would be seen as impolite behaviour.

Similarly managing issues effectively is culturally sensitive. In Japan, the concept of *nemawashi* (pre-arrangements) moves contentious items forward so there are no disagreements in meetings. Even making a decision can be seen as a failure, decisions should emerge from the group rather than be imposed on the group by a 'project manager'; as the Japanese proverb says, '*the nail that sticks up gets hammered down*'. Consequently, *nemawashi* makes ideas such as a PMO fearlessly reporting schedule slippage or cost overruns at a meeting almost untenable. The information needs to be subtly conveyed and the actions agreed before the meeting to maintain the integrity of the group. Depending on your view point, *nemawashi* can be thought of as 'dealing under the table' western or as a type of smoothing 'finding the root of the problem and using some Delphi technique to circulate around the stakeholders to build consensus' eastern.

There is no right or wrong in culture, the Chinese ran an incredibly successful Olympics, Japanese industry dominates in many areas, and South Korea has a long history of successful project delivery. The key question is how much additional value could a cultural adaptation of *PMBOK® Guide* and other standards can contribute to the development of project management in these and other cultures?

There are advantages to a standardised world wide view of project management and there are advantages to developing culturally relevant adaptations. The approach favoured by Robert Higgins (another contributor to *Advising Upwards*) is to clarify and simplify the PMBOK to transform it into a diamond of knowledge. Like a diamond it needs to be discreet, clear and hard. The ideas in a robust, clarified, PMBOK can be translated easier. Clear ideas spread naturally by communication, and because culture is a shared system of beliefs or values based on a common understanding of these ideas, having one robust and clear PMBOK is the greatest strength for creating a Global Project Management Culture. From this base, project managers can use the baseline Culture of Project Management to create common ground in a multi-national teams and adapt to the other aspects of culture in any location. ISO 21500, *A Guide to Project Management* may achieve this.

An alternative perspective suggests processes that are not culturally effective get ignored or bypassed, devaluing the overall value of the 'body of knowledge'. With both the 5th Edition of the *PMBOK® Guide* and ISO 21500 due for publication later this year, I feel we need to have more discussion around implementation of the 'knowledge' within cultures, can 'one-size-fit-all' – what do you think?

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